

**STATE BOARD OF ACCOUNTS  
302 West Washington Street  
Room E418  
INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT

OF

BOURBON TOWNSHIP

MARSHALL COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**

10/24/2006



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## OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Trustee	Max Watkins	01-01-03 to 12-31-06
Chairman of the Township Board	Daniel Knepp Roger Schori Herman Rettinger, Jr.	01-01-04 to 12-31-04 01-01-05 to 12-31-05 01-01-06 to 12-31-06



# STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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## INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF BOURBON TOWNSHIP, MARSHALL COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Bourbon Township (Township), for the period of January 1, 2004 to December 31, 2005. The Township's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Township for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 11, 2006

BOURBON TOWNSHIP, MARSHALL COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2004 And 2005

	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
Governmental Funds:				
Township	\$ 37,587	\$ 34,289	\$ 36,584	\$ 35,292
Dog	650	296	350	597
Township Assistance	36,285	7,001	3,412	39,874
Firefighting	86,357	31,447	15,131	102,673
Park and Recreation	2,891	-	300	2,591
Cumulative Fire	143,055	18,772	5,000	156,827
E.M.S	14,771	25,882	17,500	23,153
Rainy Day	-	3,965	-	3,965
Fiduciary Fund:				
Cemetery Trust	25,431	-	-	25,431
Totals	<u>\$ 347,027</u>	<u>\$ 121,652</u>	<u>\$ 78,277</u>	<u>\$ 390,403</u>

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
Township	\$ 35,292	\$ 41,865	\$ 36,186	\$ 40,971
Dog	597	339	296	639
Township Assistance	39,874	6,654	3,861	42,667
Firefighting	102,673	38,599	23,811	117,460
Park and Recreation	2,591	-	-	2,591
Cumulative Fire	156,827	22,334	10,705	168,456
E.M.S	23,153	32,759	17,583	38,329
RainyDay	3,965	-	-	3,965
Levy Excess	-	1,632	-	1,632
Fiduciary Fund:				
Cemetery Trust	25,431	-	-	25,431
Totals	<u>\$ 390,403</u>	<u>\$ 144,181</u>	<u>\$ 92,442</u>	<u>\$ 442,142</u>

The accompanying notes are an integral part of the schedules.

BOURBON TOWNSHIP, MARSHALL COUNTY  
NOTES TO SCHEDULES

Note 1. Introduction

The Township was established under the laws of the State of Indiana. The Township provides the following services: public safety, health and social services, culture and recreation, and general administrative services.

Note 2. Fund Accounting

The Township uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Township in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. Final settlement of taxes paid in 2003 and 2004 did not occur until February 2004 and February 2005, respectively. All property taxes collected by the County Treasurer and available for distribution during 2005 were distributed to the Township prior to December 31, 2005.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

BOURBON TOWNSHIP, MARSHALL COUNTY  
NOTES TO SCHEDULES  
(Continued)

State statute (IC 5-13-9) authorizes the Township to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Township contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Township authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.



BOURBON TOWNSHIP, MARSHALL COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on September 12, 2006, with Max Watkins, Trustee; and Eleanor Watkins, Clerk. Our examination disclosed no material items that warrant comment at this time.